

**MINUTES OF THE BOARD OF DIRECTORS OF THE
RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT**

Date of Meeting: November 12, 1999

The Board of Directors of the Rio Nuevo Multipurpose Facilities District met in an open session on Friday, November 12, 1999, at 2:00 p.m., in the City Manager's Conference Room, 10th floor of city hall, 255 W. Alameda, Tucson, Arizona.

The meeting was called to order by Mr. Ruben Suarez, Chairperson.

I. Introduction of Board Members and City Staff

Board members present:

Ruben Suarez, City of Tucson
Corky Poster, City of Tucson
Alice Eckstrom, City of South Tucson

Board members absent:

Olivia Hernandez, City of South Tucson

City staff present:

Bruce Messelt, Assistant to the City Manager
Kay Gray, Finance Director
John Nachbar, Deputy City Manager
Benny Young, Assistant City Manager
Elizabeth Sotelo, City Attorney's Office
Wayne Casper, Procurement Director

Visitors present:

Fernando Castro, Assistant City Manager, South Tucson
Mark Young, Entranco
Brian Gold, A.G. Edwards
Jim Blanford, Piper-Jaffray
William Hicks, Snell & Wilmer, legal counsel
Stuart , PCIC
Josefina Cardenas, PCIC
Brian Flagg, PCIC

II. Approval of September 1999 Board Minutes

Motion #1 - 11/12/99

Motion by Board Member Poster, seconded by Board Member Eckstrom, and carried by a vote of 3 to 0 (Board Member Hernandez absent) to approve the minutes of September 15, 1999.

III. Official Canvass of November 2nd, 1999 Election Results.
Proposition 400: The Rio Nuevo Project

Mr. Bruce Messelt of the City Manager's office noted that Resolution 1999-002, the official canvass of the result, was provided to each Board Member. Attached to the canvass is the official certification from the Clerk of the City of Tucson with a detailed breakout. He identified those precincts that did not approve the proposition.

Motion #2-11/12/99

Motion by Board Member Poster, seconded by Board Member Eckstrom, and carried by a vote of 3 to 0 (Board Member Hernandez absent) to ratify Resolution 1999-002.

IV. Review/Ratification/Modification to District Board
Composition/Rules/Procedures of view of November 2nd, 1999
Election Results

Mr. Bruce Messelt of the City Manager's office noted that the board was provided with a copy of Resolution 1999-003, the review and ratification modifying and recognizing the modifications to the district board composition, rules and procedures in view of the November 2nd, 1999, election results. As a result of the Town of Sahuarita not approving Proposition 400, the composition of the board is modified. Mr. Hicks, legal counsel, provided a clarification of the resolution. The resolution reconfirms the district as being comprised of the City of Tucson and the City of South Tucson and makes the corresponding modifications of the administrative rules.

It was clarified that at least one member representing the City of South Tucson and both members representing the City of Tucson must be present in order to conduct business.

Motion #3-11/12/99

Motion by Board Member Poster, seconded by Board Member Eckstrom and carried by a vote of 3 to 0 (Board Member Hernandez absent) to ratify Resolution 1999-003.

V. Staff Report on Organizational & Programmatic Considerations

Mr. John Nachbar, Deputy City Manager, reported that this board was breaking new ground and it would take city staff another three weeks to prepare all the pertinent organizational, administrative and legal issues necessary for the board. He asked that board members call staff with any questions.

In answer to a question from a Board Member, Mr. Nachbar said he hoped the Board and city staff could work closely together. The Board has the power to access the incremental sales tax from the state; what the city brings to the table is the match and the land involved. He hoped that staff of the board could be city employees. City staff wants to make sure the board has all resources at their disposal to make them successful.

A board member asked for clarification of rules of conduct for board members with respect to contacts by lobbyists. Ms. Sotelo of the city attorney's office said she would provide some basic guidelines for the board. This will be placed on the agenda for the next meeting as well as clarification of the open meetings law.

VI. Staff Report on Financing Considerations

Mr. Nachbar said the status was the same as on the previous item. City staff will be preparing detailed information in the next three weeks. Ms. Kay Gray, Finance Director, explained that the board would have separate bank accounts and separate signature cards. Intergovernmental agreements between the City and the Board would be prepared. There was discussion about sales tax revenues anticipated from El Con and Park Place malls.

VII. Setting Future Agenda, Time, and Place of Next Meeting

City staff suggested that the date of the next meeting will be scheduled at a later date and the city manager's office will contact the Board to set up a schedule.

VIII. Call to the Audience

Ms. Josefina Cardenas, representing PCIC, passed out a copy of the proposal approved by the elected officials regarding the needs, concerns and requests being made by the neighborhoods surrounding Rio Nuevo. A board member asked for an explanation of the low-income housing portion of their proposal. She said the housing mentioned in their proposal is for affordable home ownership by low-income people as well as tax protection for those people currently living in that neighborhood. Mr. Nachbar said he did not believe any of the revenues could be used to subsidize residential housing.

An unidentified man asked how this Board would interact with the mayor and council. Mr. Nachbar said mayor and council would receive the minutes and through city staff, there would be open communication.

PCIC representatives requested that their office be called whenever a board meeting is scheduled.

City staff advised that materials would be sent to the board members on a regular basis>

IX. Adjournment

MOTION #4 - 11/12/99

Motion by Board Member Poster, seconded by Board Member Eckstrom and carried by a vote of 3 to 0 (Board Member Hernandez absent) to adjourn the meeting.